



July 17, 2015

Mr. Mike Kandris Pacific Ethanol Stockton LLC 3028 Navy Drive Stockton, CA 95206

Re: Notice of Minor Title V Permit Modification District Facility # N-7365 **Project # N-1152725**

Dear Mr. Kandris:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued Authority to Construct N-7365-11-6 (under project N-1143274) into the Title V operating permit. The project was to install a new 10,500 gallon corn oil storage tank and connect it to the existing vapor control system.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct N-7365-11-6, emission increases, application, and previous Title V permit. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

If you have any questions, please contact Mr. Nick Peirce, Permit Services Manager, at (209) 557-6400.

Thank you for your cooperation in this matter.

Sincerely,

Arnaud Mariollet

Director of Permit Services

Enclosures

Gerardo C. Rios, EPA (w/enclosure) via email CC:

> Seyed Sadredin **Executive Director/Air Pollution Control Officer**

Title V APPLICATION REVIEW Minor Modification

Facility Number:

N-7365

Facility Name:

Pacific Ethanol Stockton, LLC

Mailing Address:

3028 Navy Drive Stockton, CA 95206

Contact Name:

Mike Kandris

Phone:

(916) 403-2124

Responsible Official:

Mike Kandris

Title:

Chief Operating Officer

Processing Staff:

Jag Kahlon

Project Number:

N-1152725

Date:

July 17, 2015

I. PROPOSAL

Pacific Ethanol Stockton, LLC has proposed to incorporate Authority to Construct (ATC) permit N-7365-11-6 (issued under ATC project N-1143274) into their Title V operating permit. This permit was issued without Certificate of Conformity (COC). The project was to install a new 10,500 gallon corn oil storage tank and connect it to the existing vapor control system.

The purpose of this document is to identify all applicable requirements, determine if the facility will comply with the applicable requirements, and to provide the legal and factual basis for permit requirements.

II. FACILITY LOCATION

This facility is located at 3028 Navy Drive, Stockton, California.

III. EQUIPMENT DESCRIPTION

N-7365-11-8

WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129,600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, THREE 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS

VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM

IV. SCOPE OF EPA AND PUBLIC REVIEW

This project is a Minor Modification under Rule 2520 since the ATC project under which permit N-7365-11-6 was issued was not an SB-288 or Federal Major Modification under Rule 2201. Therefore, public review is not required for this project.

V. APPLICABLE REQUIREMENTS

Rule 2520 Federally Mandated Operating Permits (6/21/01)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

The following section details the changes made to the permit conditions in PTO N-7365-11-5.

Equipment description in PTO N-7365-11-5

WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129,600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, TWO 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM

The equipment description is revised to indicate that there will be three 10,500 gallon corn oil storage tanks. The equipment description is now being stated in the following manner.

WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129.600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM

CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, **THREE 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS** ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM

Condition #14 in PTO N-7365-11-5

 Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall not exceed 2.7 lb/day. [District Rule 2201]

During ATC project N-1143274, fugitive VOC emissions associated with the corn oil operation were determined to be 2.8 pounds per day. Therefore, the above condition is stated in the following manner:

 Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall not exceed 2.8 lb/day. [District Rule 2201]

Condition #23 in PTO N-7365-11-5

Source testing to demonstrate compliance with the 99.5% overall control
efficiency of the CO2 scrubber vented to the RTO and the vent gas scrubber
vented to the RTO shall be conducted within 120 days after initial start-up and
at least once every twelve (12) months thereafter, with equipment in
operational condition. [District Rule 2201]

The company had conducted the initial startup test on February 24, 2015 under permit N-7365-11-4. Therefore, initial startup testing requirements are satisfied. The condition is now being stated in the following manner:

• Source testing to demonstrate compliance with the 99.5% overall control efficiency of the CO2 scrubber vented to the RTO and the vent gas scrubber vented to the RTO shall be conducted at least once every twelve (12) months thereafter, with equipment in operational condition. [District Rule 2201]

Note that ATC N-7365-11-6 also contains initial startup testing requirements. These requirements were retained since the ATC N-7365-11-4 was not implemented at that time. The application review prepared under project N-1143274 (where N-7365-11-6 was issued) indicates that the applicant is not

proposing any changes to the existing emission factors. Therefore, initial source testing is not required.

Note that all these conditions are now federally enforceable through Title V permit.

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, the proposed project:

- 1. Do not violate requirements of any applicable federally enforceable local or federal requirement:
- 2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions:
- 3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
- 4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include;
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act;
 and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act;
- 5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
- 6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including;

- A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs (Appendix IV);
- 2. The source's suggested draft permit (Appendix I); and

3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used (Appendix III).

Compliance is expected with this Rule.

APPENDICES

Appendix I: Proposed Title V Operating Permit No. N-7365-11-8

Appendix II: Authority to Construct Permit N-7365-11-6

Appendix III: Permit Application
Appendix IV: Emissions Change

Appendix V: Previous Permit to Operate N-7365-11-5

Appendix I Proposed Title V Operating Permit No. N-7365-11-8

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: N-7365-11-8

EXPIRATION DATE 09/30/2017

EQUIPMENT DESCRIPTION:

WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129,600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, THREE 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM

PERMIT UNIT REQUIREMENTS

- 1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
- 2. Wet cake conveyors between each tank or each emissions unit at the wet cake process unit shall be fully enclosed. [District Rule 2201] Federally Enforceable Through Title V Permit
- 3. The maximum amount of ethanol produced at this facility shall not exceed either of the following limits: 360,000 gallon/day or 60,000,000 gallon/year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 4. All vapors from the wet cake process shall be vented through the vent gas scrubber and then through the RTO. [District Rule 2201] Federally Enforceable Through Title V Permit
- 5. The RTO shall only be fired on PUC-regulated natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
- 6. The overall control efficiency for the vent gas scrubber vented to the RTO shall be a minimum of 99.5% for VOC emissions. [District Rule 2201] Federally Enforceable Through Title V Permit
- 7. Controlled VOC emissions rate from the wet cake process served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb-VOC/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 8. Controlled VOC emissions rate from the slurry tank, yeast tank, liquefaction tank, distillation process, process condensate tank and wet cake process all served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 9. Controlled VOC emissions rate from the exhaust of the RTO while serving the slurry tank, yeast tank, liquefaction tank, fermentation process, beerwell process tank, distillation process, process condensate tank and wet cake process shall not exceed 0.07421 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 10. Emissions rates from the combustion of natural gas in the RTO burner shall not exceed any of the following limits: 0.05 lb-NOx/MMBtu; 0.084 lb-CO/MMBtu; 0.0055 lb-MMBtu; 0.0076 lb-PM10/MMBtu; or 0.00285 lb-SOx/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: PACIFIC ETHANOL STOCKTON LLC Location: 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-8 | Jul 17 2015 8 144M - KAHLONJ

- 11. Loading losses from the distiller's syrup or corn oil loadout operation shall not exceed 0.526 lb-VOC/1,000 gallons. [District Rule 2201] Federally Enforceable Through Title V Permit
- 12. The maximum throughput of distiller's syrup loaded shall not exceed any of the following: 67,371 gallons per day or 24,590,415 gallons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 13. The maximum throughput of corn oil loaded shall not exceed any of the following: 26,000 gallons per day or 1,722,500 gallons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 14. Fugitive VOC emissions from equipment leaks associated with the wet cake process shall not exceed 2.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 15. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall not exceed 2.8 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 16. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall not exceed 2.9 lb/day. [District Rule 2201]
- 17. Fugitive VOC emissions shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-1, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Average Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 18. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 19. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 20. The permittee shall maintain daily and annual records, in gallons, of the quantity of distiller's syrup and corn oil loaded at this facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 21. The permittee shall maintain daily and annual records, in gallons, of the quantity of ethanol produced at this facility. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
- 22. Permittee shall maintain accurate component count and shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
- 23. Source testing to demonstrate compliance with the 99.5% overall control efficiency of the CO2 scrubber vented to the RTO and the vent gas scrubber vented to the RTO shall be conducted at least once every twelve (12) months thereafter, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 24. Source testing to demonstrate compliance with the overall VOC emissions rate from the exhaust of the RTO shall be conducted at least once every twelve (12) months, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 25. Compliance with the 99.5% overall VOC control efficiency shall be determined as follows: Overall VOC Control Efficiency (%) = {[(CO2 Scrubber Inlet + Vent Gas Scrubber Inlet] RTO Outlet] / [CO2 Scrubber Inlet + Vent Gas Scrubber Inlet]} x 100%. [District Rule 2201] Federally Enforceable Through Title V Permit
- 26. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
- 27. Source testing for VOC emissions shall be conducted using EPA Method 18, 25 or 25A. Source testing shall also be conducted in accordance with EPA's Midwest Scaling Protocol for the Measurement of "VOC Mass Emissions" at Ethanol Production Facilities and/or any other testing methodology that has been previously approved by the District, CARB, and EPA. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

PERMITURE REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: PACIFIC ETHANOL STOCKTON LLC Location: 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-8 Jul 17 2015 6:14AM - XAHLONJ

- 28. During source testing, permittee shall maintain records of the amount of ethanol produced, in gal-ethanol/hour. [District Rule 2201] Federally Enforceable Through Title V Permit
- 29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
- 30. The vent gas scrubber shall be equipped with a water flow meter, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 31. The water flow rate through the vent gas scrubber shall not be less than 25 gal/minute. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 32. The permittee shall monitor and record the water flow rate through the vent gas scrubber at least once every day. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 33. If the water flow rate through the vent gas scrubber is less than 25 gal/minute, the permittee shall correct the water flow rate to exceed 25 gal/minute, as soon as possible, but no longer than 1 hour of operation after detection. If the water flow rate through the vent gas scrubber continues to be less than 25 gal/minute after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 34. The permittee shall maintain records of (1) the date of water flow rate measurements, (2) the water flow rate through the vent gas scrubber at the time of measure, and (3) a description of any corrective action taken to maintain the water flow rate above the 25 gal/minute limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 35. The RTO shall be operated at a temperature of no less than 1,400 øF. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 36. The RTO shall be equipped with a continuous temperature monitoring and recording device, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 37. Upon detecting any excursion from the acceptable temperature readings, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent recurrence of the excursion as expeditiously as practicable. [District Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 38. The permittee shall comply with the compliance assurance monitoring and maintenance requirements of 40 CFR Part 64.7. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 39. The permittee shall maintain daily records of (1) the date of RTO temperature measurements, (2) the temperature of the RTO at the time of measure, and (3) a description of any corrective action taken to maintain the temperature above the 1,400 øF limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 40. Valves, threaded connections, and flanges shall not leak VOCs in excess of 100 ppmv above background when measured in accordance with EPA Method 21, provided the total number of leaking tagged components of any component type does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 41. Pressure relief valves (PRVs) shall not leak VOC's in excess of 100 ppmv above background when measured in the plane at the centroid of any atmospheric vent with an instrument calibrated with methane, provided the total number of leaking PRVs does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 42. Process drains shall not leak VOC's in excess of 100 ppmv above background when measured at a distance of one (1) centimeter of the potential source with an instrument calibrated with methane, provided the total number of leaking process drains does not exceed 0.5 percent of the total number of components inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit

PERMITURE REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: PACIFIC ETHANOL STOCKTON LLC Location: 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-8 July 17 2015 8:14AM - KAHLONJ

- 43. Pumps or compressors which handle a VOC or any associated seal fluid system which circulates a fluid through or between seals on process pumps or compressors shall not leak in excess of 500 ppmv above background when measured in accordance with EPA Method 21. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 44. This operation shall comply with the requirements of District Rule 4455, Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants, as specified on facility wide permit N-7365-0. [District Rule 4455] Federally Enforceable Through Title V Permit
- 45. This operation shall comply with the requirements of 40 CFR 60, Subpart VV, Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry, as specified on facility wide permit N-7365-0. [40 CFR 60.480 and 60.481] Federally Enforceable Through Title V Permit
- 46. All records shall be retained on site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 1070 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 47. If the District or EPA determine that a Quality Improvement Plan is required under 40 CFR Part 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR Part 64.8. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 48. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR Part 64.9. [40 CFR Part 64] Federally Enforceable Through Title V Permit

These terms and conditions of the Facility-wide Permit to Operate.

Facility Name: PACIFIC ETHANOL STOCKTON LLC 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-8 Jul 17 2015 B:14AM – KAHLONJ

Location:

Appendix II Authority to Construct Permit N-7365-11-6





AUTHORITY TO CONSTRUCT

PERMIT NO: N-7365-11-6

ISSUANCE DATE: 11/13/2014

LEGAL OWNER OR OPERATOR: PACIFIC ETHANOL STOCKTON LLC

MAILING ADDRESS:

400 CAPITOL MALL, STE 2060

SACRAMENTO, CA 95814

LOCATION:

3028 NAVY DRIVE STOCKTON, CA 95206

EQUIPMENT DESCRIPTION:

MODIFICATION OF WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129,600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, TWO 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM: ADD A NEW 10,500 GALLON CORN OIL STORAGE TANK CONNECTED TO THE VENT GAS SCRUBBER LISTED ON PERMIT N-7365-4

CONDITIONS

- The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
- Authority to Construct (ATC) N-7365-11-4 shall be implemented concurrently, or prior to the modification and startup of the equipment authorized by this Authority to Construct, [District Rule 2201]
- All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Pennit
- Wet cake conveyors between each tank or each emissions unit at the wet cake process unit shall be fully enclosed. [District Rule 2201] Federally Enforceable Through Title V Permit
- The maximum amount of ethanol produced at this facility shall not exceed either of the following limits: 360,000 gallon/day or 60,000,000 gallon/year. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an Inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services

- 6. All vapors from the wet cake process shall be vented through the vent gas scrubber and then through the RTO. [District Rule 2201] Federally Enforceable Through Title V Permit
- 7. The RTO shall only be fired on PUC-regulated natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
- 8. The overall control efficiency for the vent gas scrubber vented to the RTO shall be a minimum of 99.5% for VOC emissions. [District Rule 2201] Federally Enforceable Through Title V Permit
- Controlled VOC emissions rate from the wet cake process served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb-VOC/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 10. Controlled VOC emissions rate from the slurry tank, yeast tank, liquefaction tank, distillation process, process condensate tank and wet cake process all served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 11. Controlled VOC emissions rate from the exhaust of the RTO while serving the slurry tank, yeast tank, liquefaction tank, fermentation process, beerwell process tank, distillation process, process condensate tank and wet cake process shall not exceed 0.07421 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 12. Emissions rates from the combustion of natural gas in the RTO burner shall not exceed any of the following limits: 0.05 lb-NOx/MMBtu; 0.084 lb-CO/MMBtu; 0.0055 lb-MMBtu; 0.0076 lb-PM10/MMBtu; or 0.00285 lb-SOx/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
- 13. Loading losses from the distiller's syrup or corn oil loadout operation shall not exceed 0.526 lb-VOC/1,000 gallons. [District Rule 2201]
- 14. The maximum throughput of distiller's syrup loaded shall not exceed any of the following: 67,371 gallons per day or 24,590,415 gallons per year. [District Rule 2201]
- 15. The maximum throughput of corn oil loaded shall not exceed any of the following: 26,000 gallons per day or 1,722,500 gallons per year. [District Rule 2201]
- 16. Fugitive VOC emissions from equipment leaks associated with the wet cake process shall not exceed 2.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 17. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall not exceed 2.8 lb/day. [District Rule 2201]
- 18. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall not exceed 2.9 lb/day. [District Rule 2201]
- 19. Fugitive VOC emissions shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-1, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Average Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 20. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201]
- 21. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201]
- 22. The permittee shall maintain daily and annual records, in gallons, of the quantity of distiller's syrup and corn oil loaded at this facility. [District Rule 2201]
- 23. The permittee shall maintain daily and annual records, in gallons, of the quantity of ethanol produced at this facility. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

- 24. Permittee shall maintain accurate component count and shall update such records when new components are approved and installed. [District Rule 2201]
- 25. Source testing to demonstrate compliance with the 99.5% overall control efficiency of the CO2 scrubber vented to the RTO and the vent gas scrubber vented to the RTO shall be conducted within 120 days after initial start-up and at least once every twelve (12) months thereafter, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 26. Source testing to demonstrate compliance with the overall VOC emissions rate from the exhaust of the RTO shall be conducted at least once every twelve (12) months, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 27. Compliance with the 99.5% overall VOC control efficiency shall be determined as follows: Overall VOC Control Efficiency (%) = {[(CO2 Scrubber Inlet + Vent Gas Scrubber Inlet) RTO Outlet] / [CO2 Scrubber Inlet + Vent Gas Scrubber Inlet]} x 100%. [District Rule 2201] Federally Enforceable Through Title V Permit
- 28. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
- 29. Source testing for VOC emissions shall be conducted using EPA Method 18, 25 or 25A. Source testing shall also be conducted in accordance with EPA's Midwest Scaling Protocol for the Measurement of "VOC Mass Emissions" at Ethanol Production Facilities and/or any other testing methodology that has been previously approved by the District, CARB, and EPA. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
- 30. During source testing, permittee shall maintain records of the amount of ethanol produced, in gal-ethanol/hour. [District Rule 2201] Federally Enforceable Through Title V Permit
- 31. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
- 32. The vent gas scrubber shall be equipped with a water flow meter, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 33. The water flow rate through the vent gas scrubber shall not be less than 25 gal/minute. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 34. The permittee shall monitor and record the water flow rate through the vent gas scrubber at least once every day. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 35. If the water flow rate through the vent gas scrubber is less than 25 gal/minute, the permittee shall correct the water flow rate to exceed 25 gal/minute, as soon as possible, but no longer than 1 hour of operation after detection. If the water flow rate through the vent gas scrubber continues to be less than 25 gal/minute after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 36. The permittee shall maintain records of (1) the date of water flow rate measurements, (2) the water flow rate through the vent gas scrubber at the time of measure, and (3) a description of any corrective action taken to maintain the water flow rate above the 25 gal/minute limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 37. The RTO shall be operated at a temperature of no less than 1,400 øF. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 38. The RTO shall be equipped with a continuous temperature monitoring and recording device, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 39. Upon detecting any excursion from the acceptable temperature readings, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent recurrence of the excursion as expeditiously as practicable. [District Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit

- 40. The permittee shall comply with the compliance assurance monitoring and maintenance requirements of 40 CFR Part 64.7. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 41. The permittee shall maintain daily records of (1) the date of RTO temperature measurements, (2) the temperature of the RTO at the time of measure, and (3) a description of any corrective action taken to maintain the temperature above the 1,400 øF limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 42. Valves, threaded connections, and flanges shall not leak VOCs in excess of 100 ppmv above background when measured in accordance with EPA Method 21, provided the total number of leaking tagged components of any component type does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 43. Pressure relief valves (PRVs) shall not leak VOC's in excess of 100 ppmv above background when measured in the plane at the centroid of any atmospheric vent with an instrument calibrated with methane, provided the total number of leaking PRVs does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 44. Process drains shall not leak VOC's in excess of 100 ppmv above background when measured at a distance of one (1) centimeter of the potential source with an instrument calibrated with methane, provided the total number of leaking process drains does not exceed 0.5 percent of the total number of components inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 45. Pumps or compressors which handle a VOC or any associated seal fluid system which circulates a fluid through or between seals on process pumps or compressors shall not leak in excess of 500 ppmv above background when measured in accordance with EPA Method 21. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 46. This operation shall comply with the requirements of District Rule 4455, Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants, as specified on facility wide permit N-7365-0. [District Rule 4455] Federally Enforceable Through Title V Permit
- 47. This operation shall comply with the requirements of 40 CFR 60, Subpart VV, Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry, as specified on facility wide permit N-7365-0. [40 CFR 60.480 and 60.481] Federally Enforceable Through Title V Permit
- 48. All records shall be retained on site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 1070 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 49. If the District or EPA determine that a Quality Improvement Plan is required under 40 CFR Part 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR Part 64.8. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 50. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR Part 64.9. [40 CFR Part 64] Federally Enforceable Through Title V Permit

Appendix III Permit Application



[] ADMINISTRATIVE AMENDMENT

San Joaquin Valley Air Pollution Control District



[] SIGNIFICANT MODIFICATION

www.valleyair.org

Permit Application For:

[X] MINOR MODIFICATION

Paci	fic Ethanol Stockton	LLC	
2. MAILING ADDRESS:			
STREET/P.O. BOX: 3028 Navy Drive			
CITY: Stockton	STATE: CA		9-DIGIT ZIP CODE: 95206
3. LOCATION WHERE THE EQUIPMENT	WILL BE OPERATED:		INSTALLATION DATE:
STREET: 3028 Navy Drive	CITY:	Stockton	
% SECTION TOWN	NSHIPRANGE		
4. GENERAL NATURE OF BUSINESS:			
Process grain (corn) into ethanol.			
5. DESCRIPTION OF EQUIPMENT OR MC (include Permit #'s if known, and use addit	ODIFICATION FOR WHIC: ional sheets if necessary)	H APPLICATION IS MAI	DE
Permit N-7365-11-6			
The addition of a third 10,500 gallon tank to	the existing two (2) 10,500	gallon corn oil tanks. Inclu	uding the new tank there will be a total of
The addition of a third 10,500 gallon tank to three (3) 10,500 gallons (each tank) corn oil	the existing two (2) 10,500 tanks.	gallon corn oil tanks. Inclu	uding the new tank there will be a total of
The addition of a third 10,500 gallon tank to three (3) 10,500 gallons (each tank) corn oil	the existing two (2) 10,500 tanks.	gallon corn oil tanks. Inclu	uding the new tank there will be a total of
The addition of a third 10,500 gallon tank to three (3) 10,500 gallons (each tank) corn oil	the existing two (2) 10,500 tanks.	gallon corn oil tanks. Inclu	uding the new tank there will be a total of
three (3) 10,500 gallons (each tank) corn oil	tanks.	gallon com oil tanks. Inclu	uding the new tank there will be a total of TITLE OF APPLICANT:
three (3) 10,500 gallons (each tank) corn oil	tanks.	gallon corn oil tanks. Inclu	
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris	tanks.	DATE:	TITLE OF APPLICANT:
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris 7. SIGNATURE OF APPLICANT:	tanks.		TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124 FAX: ()
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris	tanks.	DATE:	TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris 7. SIGNATURE OF APPLICANT:	tanks.	DATE:	TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124 FAX: ()
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris 7. SIGNATURE OF APPLICANT:	tanks.	DATE: June 30, 2015	TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124 FAX: ()
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris 7. SIGNATURE OF APPLICANT: For APCD Use Only:	T:	DATE: June 30, 2015	TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124 FAX: () EMAIL: mkandris@pacificethanol.com
three (3) 10,500 gallons (each tank) corn oil 6. TYPE OR PRINT NAME OF APPLICAN Mike Kandris 7. SIGNATURE OF APPLICANT: For APCD Use Only: DATE STAMP ECEIVED	T: FILING FEE RECEIVED: \$ 2	DATE: June 30, 2015	TITLE OF APPLICANT: Chief Operating Officer PHONE: (91L) 403 2124 FAX: () EMAIL: mkandris@pacificethanol.com

San Joaquin Valley Unified Air Pollution Control District

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I.	TYPE OF PERMIT ACTION (Check appropriate	e box)					
[] [X]	SIGNIFICANT PERMIT MODIFICATION [] MINOR PERMIT MODIFICATION	ADMINISTRATIVE AMENDMENT					
	MPANY NAME: Pacific Ethanol Stockton LLC		FACILITY ID: N - 7365				
1. Type of Organization:[X] Corporation [] Sole Ownership [] Government [] Partnership [] Utility							
2. Owner's Name: Pacific Ethanol Stockton LLC							
3.	3. Agent to the Owner:						
II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):							
	Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).						
	Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.						
	Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.						
	Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.						
I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:							
1	milael Karolis	June 30	0, 2015				
Sig	nature of Responsible Official	Date					
	Mike Kandris						
Na	me of Responsible Official (please print)						
	Chief Operating Officer						
Tit	le of Responsible Official (please print)						

Appendix IV Emissions Change

Emissions Change

Per application review under project N-1143274, quarterly emissions change is 12.75 pounds for VOC emissions.

Appendix V Previous Permit to Operate N-7365-11-5

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: N-7365-11-5

EXPIRATION DATE: 09/30/2017

EQUIPMENT DESCRIPTION:

WET CAKE PROCESS CONSISTING OF ONE 194,400 GALLON WHOLE STILLAGE TANK, ONE CENTRIFUGE SYSTEM WITH FIVE CENTRIFUGES, ONE 127,000 GALLON THIN STILLAGE TANK, THREE EVAPORATORS, ONE 129,600 GALLON SYRUP TANK, CORN OIL EXTRACTION SYSTEM CONSISTING OF ONE 36,000 GALLON HEAT SOAK TANK, THREE CENTRIFUGES, ONE 800 GALLON BUFFER TANK, ONE 1,285 GALLON FINAL PRODUCT TANK, TWO 10,500 GALLON CORN OIL LOADOUT STORAGE TANKS ALL SERVED BY AN KOTCH GLICH VENT GAS SCRUBBER (SCRUBBER SHARED WITH PERMITS N-7365-4, '-5, '-6, '-9 AND '-10) WHICH IS VENTED TO A 2.4 MMBTU/HR A.H. LUNDBERG ASSOCIATES, INC. REGENERATIVE THERMAL OXIDIZER WITH A MAXON MODEL KINEDIZER LE LOW NOX BURNER (RTO SHARED WITH PERMITS N-7365-4, '-5, '-6, '-7, '-8, '-9 AND '-10) AND A TRUCK LOADOUT SYSTEM

PERMIT UNIT REQUIREMENTS

- All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
- Wet cake conveyors between each tank or each emissions unit at the wet cake process unit shall be fully enclosed. [District Rule 2201] Federally Enforceable Through Title V Permit
- The maximum amount of ethanol produced at this facility shall not exceed either of the following limits: 360,000 gallon/day or 60,000,000 gallon/year. [District Rule 2201] Federally Enforceable Through Title V Permit
- All vapors from the wet cake process shall be vented through the vent gas scrubber and then through the RTO. [District Rule 2201] Federally Enforceable Through Title V Permit
- The RTO shall only be fired on PUC-regulated natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
- The overall control efficiency for the vent gas scrubber vented to the RTO shall be a minimum of 99.5% for VOC emissions, [District Rule 2201] Federally Enforceable Through Title V Permit
- Controlled VOC emissions rate from the wet cake process served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb-VOC/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- Controlled VOC emissions rate from the slurry tank, yeast tank, liquefaction tank, distillation process, process condensate tank and wet cake process all served by the vent gas scrubber vented to the RTO shall not exceed 0.01161 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- Controlled VOC emissions rate from the exhaust of the RTO while serving the slurry tank, yeast tank, liquefaction tank, fermentation process, beerwell process tank, distillation process, process condensate tank and wet cake process shall not exceed 0.07421 lb/1,000 gal-ethanol produced at the facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 10. Emissions rates from the combustion of natural gas in the RTO burner shall not exceed any of the following limits: 0.05 lb-NOx/MMBtu; 0.084 lb-CO/MMBtu; 0.0055 lb-MMBtu; 0.0076 lb-PM10/MMBtu; or 0.00285 lb-SOx/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

3028 NAVY DRIVE, STOCKTON, CA 95206 Location: N-7365-11-5 Jul 17 2015 8:14AM – KAHLONJ

- 11. Loading losses from the distiller's syrup or corn oil loadout operation shall not exceed 0.526 lb-VOC/1,000 gallons. [District Rule 2201] Federally Enforceable Through Title V Permit
- 12. The maximum throughput of distiller's syrup loaded shall not exceed any of the following: 67,371 gallons per day or 24,590,415 gallons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 13. The maximum throughput of corn oil loaded shall not exceed any of the following: 26,000 gallons per day or 1,722,500 gallons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 14. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall not exceed 2.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 15. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall not exceed 2.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 16. Fugitive VOC emissions from equipment leaks associated with the wet cake process shall not exceed 2.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 17. Fugitive VOC emissions shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-1, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Average Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 18. Fugitive VOC emissions from equipment leaks associated with the corn oil operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 19. Fugitive VOC emissions from equipment leaks associated with the distiller's syrup operation shall be calculated using the EPA "1995 Protocol for equipment Leak Emissions Estimates" (EPA-453/R-95-017), Table 2-9, Synthetic Organic Chemical Manufacturing Industry (SOCMI) Leak Rate/Screening Value Correlations Emission Factors. [District Rule 2201] Federally Enforceable Through Title V Permit
- 20. The permittee shall maintain daily and annual records, in gallons, of the quantity of distiller's syrup and corn oil loaded at this facility. [District Rule 2201] Federally Enforceable Through Title V Permit
- 21. The permittee shall maintain daily and annual records, in gallons, of the quantity of ethanol produced at this facility. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
- 22. Permittee shall maintain accurate component count and shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
- 23. Source testing to demonstrate compliance with the 99.5% overall control efficiency of the CO2 scrubber vented to the RTO and the vent gas scrubber vented to the RTO shall be conducted within 120 days after initial start-up and at least once every twelve (12) months thereafter, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 24. Source testing to demonstrate compliance with the overall VOC emissions rate from the exhaust of the RTO shall be conducted at least once every twelve (12) months, with equipment in operational condition. [District Rule 2201] Federally Enforceable Through Title V Permit
- 25. Compliance with the 99.5% overall VOC control efficiency shall be determined as follows: Overall VOC Control Efficiency (%) = {[(CO2 Scrubber Inlet + Vent Gas Scrubber Inlet) RTO Outlet] / [CO2 Scrubber Inlet + Vent Gas Scrubber Inlet]} x 100%. [District Rule 2201] Federally Enforceable Through Title V Permit
- 26. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
- 27. Source testing for VOC emissions shall be conducted using EPA Method 18, 25 or 25A. Source testing shall also be conducted in accordance with EPA's Midwest Scaling Protocol for the Measurement of "VOC Mass Emissions" at Ethanol Production Facilities and/or any other testing methodology that has been previously approved by the District, CARB, and EPA. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: PACIFIC ETHANOL STOCKTON LLC Location: 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-5 Jul 17 2015 8 144M - KAHLONJ

- 28. During source testing, permittee shall maintain records of the amount of ethanol produced, in gal-ethanol/hour. [District Rule 2201] Federally Enforceable Through Title V Permit
- 29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
- 30. The vent gas scrubber shall be equipped with a water flow meter, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 31. The water flow rate through the vent gas scrubber shall not be less than 25 gal/minute. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 32. The permittee shall monitor and record the water flow rate through the vent gas scrubber at least once every day. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 33. If the water flow rate through the vent gas scrubber is less than 25 gal/minute, the permittee shall correct the water flow rate to exceed 25 gal/minute, as soon as possible, but no longer than 1 hour of operation after detection. If the water flow rate through the vent gas scrubber continues to be less than 25 gal/minute after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 34. The permittee shall maintain records of (1) the date of water flow rate measurements, (2) the water flow rate through the vent gas scrubber at the time of measure, and (3) a description of any corrective action taken to maintain the water flow rate above the 25 gal/minute limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 35. The RTO shall be operated at a temperature of no less than 1,400 °F. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 36. The RTO shall be equipped with a continuous temperature monitoring and recording device, in operation at all times. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 37. Upon detecting any excursion from the acceptable temperature readings, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent recurrence of the excursion as expeditiously as practicable. [District Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 38. The permittee shall comply with the compliance assurance monitoring and maintenance requirements of 40 CFR Part 64.7. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 39. The permittee shall maintain daily records of (1) the date of RTO temperature measurements, (2) the temperature of the RTO at the time of measure, and (3) a description of any corrective action taken to maintain the temperature above the 1,400 °F limit. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 40. Valves, threaded connections, and flanges shall not leak VOCs in excess of 100 ppmv above background when measured in accordance with EPA Method 21, provided the total number of leaking tagged components of any component type does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 41. Pressure relief valves (PRVs) shall not leak VOC's in excess of 100 ppmv above background when measured in the plane at the centroid of any atmospheric vent with an instrument calibrated with methane, provided the total number of leaking PRVs does not exceed 0.5 percent of the total number of components of that type inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 42. Process drains shall not leak VOC's in excess of 100 ppmv above background when measured at a distance of one (1) centimeter of the potential source with an instrument calibrated with methane, provided the total number of leaking process drains does not exceed 0.5 percent of the total number of components inspected. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit

Facility Name: PACIFIC ETHANOL STOCKTON LLC Location: 3028 NAVY DRIVE, STOCKTON, CA 95206 N-7365-11-5 Jul 17 2015 8:14AM - KAHLONJ

- 43. Pumps or compressors which handle a VOC or any associated seal fluid system which circulates a fluid through or between seals on process pumps or compressors shall not leak in excess of 500 ppmv above background when measured in accordance with EPA Method 21. [District Rules 2201 and 4455] Federally Enforceable Through Title V Permit
- 44. This operation shall comply with the requirements of District Rule 4455, Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants, as specified on facility wide permit N-7365-0. [District Rule 4455] Federally Enforceable Through Title V Permit
- 45. This operation shall comply with the requirements of 40 CFR 60, Subpart VV, Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry, as specified on facility wide permit N-7365-0. [40 CFR 60.480 and 60.481] Federally Enforceable Through Title V Permit
- 46. All records shall be retained on site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 1070 and 40 CFR Part 64] Federally Enforceable Through Title V Permit
- 47. If the District or EPA determine that a Quality Improvement Plan is required under 40 CFR Part 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR Part 64.8. [40 CFR Part 64] Federally Enforceable Through Title V Permit
- 48. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR Part 64.9. [40 CFR Part 64] Federally Enforceable Through Title V Permit